

**EXECUTIVE SECRETARIAT**  
**ROUTING SLIP**

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS		✓		
5	DDI		✓		
6	DDA				
7	DDO		✓		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NID/CT		✓		
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SUSPENSE		Date _____			

Remarks

*[Signature]*  
Executive Secretary

7/3/84  
Date

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THE WHITE HOUSE

WASHINGTON

July 3, 1984

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Executive Registry

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MEMORANDUM FOR THE HONORABLE CASPAR W. WEINBERGER  
The Secretary of Defense

SUBJECT: Protection Against Terrorist Threat to Movement of  
Nuclear Material (C)

We have reviewed the submission concerning the Japanese Government's request to approve the retransfer of 189kg of fissile plutonium from LaHague, France to Japan. This material originated in the United States, was recovered from spent power reactor fuel in Japan, and was originally transferred to France for reprocessing so that it could be used for breeder reactor tests and operations in Japan. (S)

U.S. statutes and international agreements require that the U.S. provide assurance that the fuel will not be diverted from its intended purpose. France has agreed to naval escort of the shipment, aboard a commercial vessel, from its port of embarkation to a point 1,000nm at sea. The vessel will then proceed through the Panama Canal and into the Pacific Ocean. The Japanese have agreed to provide armed escort for the shipment from a point 1,000nm at sea to its point of debarkation in Japan. Documentation on the details of this transfer are contained in the analysis prepared by DOE at Tab A. (S)

The State, DOE, CIA, JCS, and NSC members of the Terrorist Incident Working Group (TIWG) agree that this shipment poses a significant target for terrorist action and should be protected when not under escort by France or Japan. The fact that this shipment will pass close to U.S. territorial waters and through the Panama Canal poses the threat that terrorists, using a relatively simple device, could contaminate a large area with radioactive material. (S)

Given this threat to our own interests/security and our statutory/international obligations, the TIWG has recommended that we plan to escort the commercial vessel. The group has further proposed that contingency planning should be undertaken by our specialized JSOC units for a recovery mission, should one become necessary.

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Declassify: OADR

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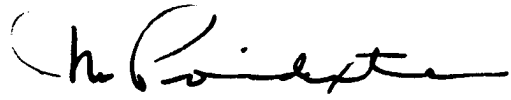
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The Administration must advise the Chairmen of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs that we have made arrangements for safe delivery. Your agreement, in principle, to such security arrangements by COB July 6 will allow us to apprise the Congress that appropriate security provisions are being made. We may then proceed to notify the Japanese that the shipment will be permitted. Your assistance in this regard is much appreciated. (S)

FOR THE PRESIDENT:

  
for Robert C. McFarlane

cc: The Honorable George P. Shultz  
The Secretary of State

The Honorable Donald Paul Hodel  
The Secretary of Energy

The Honorable William J. Casey  
The Director of Central Intelligence

General John W. Vessey, Jr.  
The Chairman, Joint Chiefs of Staff

Attachments

Tab A - DOE Analysis of Retransfer of Special Nuclear  
Material dated June 1983

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TAB

A

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Annex C

Section 131 of the Atomic Energy Act of 1954, as amended

In accordance with established interagency procedures with regard to the handling of subsequent arrangements, DOE has sought the concurrence of the State Department in the use of the recovered plutonium and also has consulted with the Arms Control and Disarmament Agency (ACDA), the Nuclear Regulatory Commission (NRC), the Department of Defense (DOD), and the Department of Commerce (DOC). A notice of this arrangement and a non-inimicality determination will be published in the Federal Register for at least 15 days before this request is granted. Also, before approving the proposed use, the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate as required by Section 131 b.(1) will be provided with a copy of this report containing the reasons for entering into this arrangement.

Section 131 b. of the Act stipulates criteria that must be taken into account prior to entering into any subsequent arrangement for the transfer for reprocessing the U.S.-supplied special nuclear materials or of special nuclear materials produced through U.S. assistance or the subsequent transfer to a non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from the reprocessing of any such material or the subsequent retransfer of any plutonium.

These criteria pertain to whether the proposed retransfer, (and in this case the use of the recovered plutonium), will result in a significant increase of the risk of proliferation beyond that which exists at the time that approval is requested.

In particular, Section 131 b (2) of the Act provides that:

"The Secretary of Energy may not enter into any subsequent arrangement for the reprocessing of any such material in a facility which has not processed power reactor fuel assemblies or been the subject of a subsequent arrangement therefor prior to the date of enactment of the Nuclear Non-Proliferation Act of 1978 or for subsequent retransfer to a non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from such reprocessing unless, in his judgment, and that of the Secretary of State, such reprocessing or retransfer will not result in a significant increase of the risk of proliferation beyond that which existed at the time that approval is requested. Among all the factors in making this judgment, foremost consideration will be given to whether or not the reprocessing or retransfer will take place under conditions that will ensure timely warning to the United States of any diversion well in advance of the time at which the non-nuclear-weapon state could transform the diverted material into a nuclear explosive device."

Annex C

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Section 131 b (3) of the Act provides that:

"The Secretary of Energy shall attempt to ensure, in entering into any subsequent arrangement for the reprocessing of any such material in any facility that has processed power reactor fuel assemblies or been the subject of a subsequent arrangement therefor prior to the date of enactment of the Nuclear Non-Proliferation Act of 1978, or for the subsequent retransfer to any non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from such reprocessing, that such reprocessing or retransfer shall take place under conditions comparable to those which in his view, and that of the Secretary of State, satisfy the standards set forth in paragraph (2)"

This subsequent arrangement will be made pursuant to Section 131 b (2).

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